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LAW OFFICES
KOTEEN & NAFTALIN
1150 CONNECTICUT AVENUE
WASHINGTON, D.C. 20036

BERNARD KOTEEN
ALAN Y. NAFTALIN
RAINER K. KRAUS
ARTHUR B. GOODKIND
GEORGE Y. WHEELER
HERBERT D. MILLER, JR.
MARGOT SMILEY HUMPHREY
PETER M. CONNOLLY
M. ANNE SWANSON
CHARLES R. NAFTALIN
GREGORY C. STAPLE
OF COUNSEL

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JUN - 3 1993

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

TELEPHONE
(202) 467-5700
TELECOPY
(202) 467-5915
CABLE ADDRESS
"KOBURT"

June 1, 1993

Hand Delivered

Ms. Donna R. Searcy
Secretary
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

Re: PR Docket No. 92-257 / RM-7956, RM-8031

Dear Ms. Searcy:

Transmitted herewith, on behalf of KFS World Communications, Inc., are an original and nine copies of its Comments in the above-referenced proceeding.

In the event there are any questions concerning this matter, please communicate with this office.

Very truly yours



Charles R. Naftalin

Enclosures

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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington D.C. 20554

JUN - 3 1993

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of:

Amendment to the Commission's
Rules Concerning Maritime
Communications

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PR Docket No. 92-257

RM-7956

RM-8031

Comments of KFS World Communications Inc.

General Comments:

KFS World Communications, Inc. ("KFS") hereby submits its Comments in response to the Commission's Notice of Proposed Rule Making and Notice of Inquiry in the above-captioned proceeding.

KFS is the licensee and operator of HF Public Coast Station KFS, Half Moon Bay, California, and the proposed assignee of the license of HF Public Coast Station WNU, Pearl River, Louisiana. KFS offers the Commission its views based upon substantial operational experience in the provision of HF radio public coast marine services. KFS applauds the Commission's efforts to improve the financial and technical integrity of public coast radio's essential health and safety services and submits these comments in order to advance this process.

KFS World Communications agrees with the general intent and thrust of this Notice of proposed Rule Making and Notice of Inquiry. The marine radio communications industry, and in particular Public Coast Radio Stations are in a serious state of decline. Public Coast VHF stations are faced with severe competition from cellular telephones which operate

unfettered by the regulations imposed on Public Coast VHF stations. Many of these regulations, intended to enhance safety at sea, are required as part of GDMSS. These services must be maintained. However it is impractical to impose these safety based requirements on cellular operators. The solution must be to allow increased flexibility in the use of VHF marine frequencies so that these stations can compete more effectively with cellular and continue to provide services required for safety at sea.

The situation is similar for Public Coast HF stations. These stations provide valuable services necessary for the safety of life at sea. Yet their market is being quickly consumed by satellite based services, primarily Inmarsat services offered through Comsat and other companies. However, even after GMDSS is fully implemented, most of the world fleet will still continue to carry HF radios on board, if only as a back up system. If Public Coast HF stations are not freed to expand the type and scope of services offered they will not survive and commercial marine HF communications will cease to exist. This will be a serious detriment to the implementation of GMDSS and the safety of life at sea.

In general we urge the Federal Communications Commission to allow the use of new technologies to improve throughput and quality within existing marine HF and VHF frequency assignments and allow the use of these frequencies in land mobile and other non-marine applications. In this new environment, Public Coast HF and VHF stations will have the flexibility to continue providing needed marine services and introduce a new element of competition to the land mobile market.

Our specific comments follow:

TELECOMMUNICATIONS REQUIREMENTS

Section 12 (a): What new or additional mobile telecommunications requirements of the boating community will arise over the next ten to fifteen years?

We expect to see sharply increased use of data communications within the marine community. Electronic mail will grow quickly as the preferred method of communication. Facsimile will also grow at a rapid pace. Voice traffic will grow at a slower rate due to higher costs and the increasing trend in communications to "de-couple" two way conversations into multiple one way conversations... like the voice mail we have all come to know and love.

Section 12(b): How will these requirements impact the need for telecommunication capacity and capability? If an increase in capacity/capability is needed how best might this be provided?

Obviously the need for capacity and capability will grow. In the HF arena we will need frequency allocations with wider band widths to accommodate the need to send large data files (facsimile) within a reasonable period of time. This is contrary to the situation in VHF voice services where applying new technologies will allow reduction of the band width required.

We will need the flexibility to employ new data transmission techniques within the assigned frequency allocations. These new data transmission techniques can be provided so as to be interoperable with existing techniques such as narrow band direct printing (NBDP).

Section 12(c): Will some of these requirements be satisfied through other services such as cellular or possibly personal communications services (PCSs)? Which requirements would be satisfied only through services specifically designed for maritime use? Why?

Many of the increased requirements in the HF arena will be filled by satellite based solutions. Inmarsat, Iridium, Orbcomm and many others are already planning to address this segment of the maritime market. However, new technologies and increased band width will allow HF radio to address the need for low speed non time critical and low cost data services. Ships that can not afford Satellite ship stations (contrary to popular belief GMDSS does not require satellite based communications) will find advanced HF radio services will meet their daily and emergency communications needs.

The demands on VHF will be lessened by the use of cellular and PCS. This especially true of pleasure craft. However there will be increased demand from commercial vessels, particularly foreign compulsory fitted vessels that must continue to have VHF capability. They should not be forced to add additional systems and billing complexities (like the use of cellular phones would require) in order to meet their communications needs when in US ports.

TRUNKING

Section 14(a): Current rules do not specifically address trunking on the maritime frequencies. Should we promote trunking on these frequencies?

Trunking will allow VHF marine services to become more competitive with cellular. The end result will be a more user friendly, higher capacity system that is more competitive with cellular services.

Section 14(c): If trunking is permitted on maritime frequencies should there be a mandated standard to ensure that all marine radios that are designed to use trunking will work with all coast stations regardless of geographic area and if so, what should that standard be?

Trunking in the land mobile arena does not require a universal standard. Different system operators use different standards to serve their customers. This allows the system operators to keep improving their technologies and level of service to customers. The implementation of a universal standard in trunked maritime services would only ensure that the service offering remain outdated and less than the best technology has to offer. However, marine mobile service does have a safety component not present in land mobile trunking applications. We suggest that no trunking standard be imposed on the maritime VHF industry but that provision be made for designated channels to remain open and available for emergency communications outside the trunked channels.

DIGITAL SELECTIVE CALLING

Section 18(a): Should we propose rules that require a minimum DSC capability for all marine radios? If so, should we require DSC to be an integral part of the marine radios or should we permit add-on devices to give the DSC capability to existing marine radios?

A minimum DSC capability should be required for all marine radios. Add-on devices should be allowed to give DSC capability to existing marine radios. These devices are already available and will make it economically attractive for current users to upgrade to DSC. This will benefit the entire marine communications industry by allowing higher throughput and better service by coast stations.

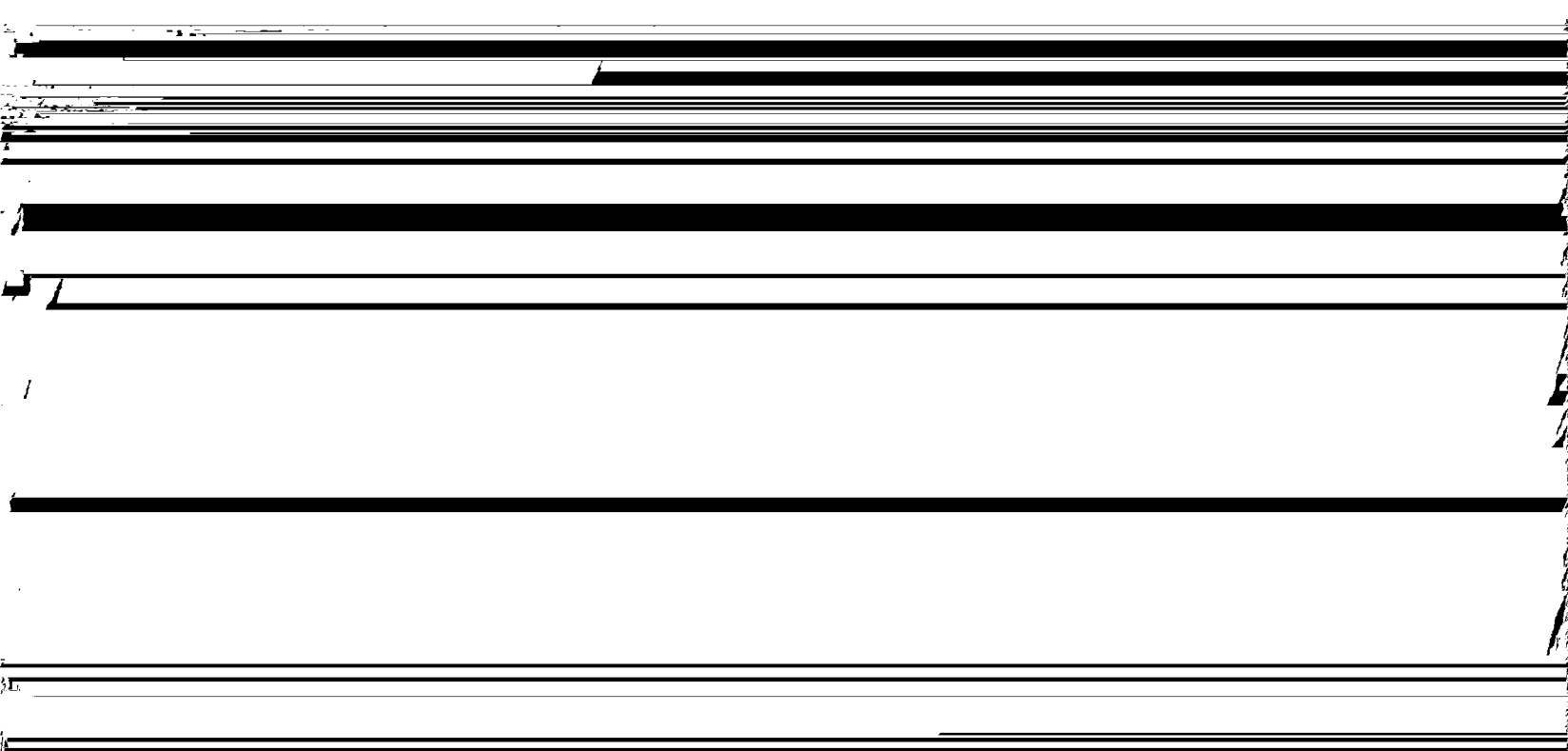
Section 18(d): Should the Commission declare DSC as the only calling technique permitted to be used?

No. Ruling out new technologies will hold back the development of the industry and increased efficiency in using the allocated spectrum. Any open system, i.e. one whose specifications are available to the general public should be allowed.

Section 18(e): Should we consider optional use of DSC on VHF channels other than marine channel 70?

Yes. DSC and all other available options should be allowed where they serve to improve efficiency without degrading safety and security of existing systems.

Section 18(f): The Coast Guard's proposed matrix is for minimum capability and, for



Higher rates should be allowed. No restriction should be placed on the speed as long as the existing band width requirements are respected. Emission designator 500HJ2DEN is an example.

Section 19(b): Should we specify that such equipment must automatically revert to 100 baud when interrogated in order to ensure system compatibility?

The requirement to establish or revert to CCIR standards, whether they be 100 baud or other baud rates should be required to ensure access and safety for all users. We envision a system much like today's facsimile machines that interrogate each other and handshake at an agreed baud rate at the beginning of the call. We strongly urge the Commission to adopt this open architecture to all frequencies in the HF and VHF marine bands.

PRIVATE CARRIERS

Section 21: Should the Commission allow private coast stations to become private carriers?

No. Public coast stations are essential to the successful implementation of GMDSS and the provision of low cost communications services to the maritime community. Competition from cellular, satellite and other technologies have strained the public coast stations almost to the breaking point. If the Commission allows private coast stations to further erode the remaining market for marine communications traffic, the demise of public coast stations will be accelerated.

EXCLUSIVITY

Section 22: Should private coast stations be granted exclusivity over certain channels?

Exclusivity should not be granted to private coast stations. Although some private coast stations may use the spectrum more efficiently if granted exclusivity, many private coast stations would not. The Commission's concern about the efficient use of spectrum can be promoted by using (in the HF arena) new technologies such as Automatic Link Establishment (ALE) to improve efficiency.

PERMISSIBLE COMMUNICATIONS

Section 23: Should public coast stations be allowed to serve the land-mobile market?

KFS believes that it is imperative that both VHF and HF Public Coast stations be permitted to provide services in the domestic land mobile market. This growing area of communications offer the opportunity for Public Coast operators to expand their sources of available revenues, improving the financial integrity of all their services, including essential health and safety functions for which they are uniquely responsible. The already congested land-mobile market will benefit from an increase in available service providers, spectrum and competition. However, these improvements will be very modest in comparison to the land mobile service industry because of technical constraints. HF data rates are too low to be competitive with existing high data rate offerings. An operator like KFS would have to develop a niche market where very low data rates, such as 100 baud, are acceptable. These niche markets are available. For example, the acquisition of remote pipe line data could be transmitted at the low data rates available through HF radio at a much lower cost than satellite based systems.

Of course, any expanded offerings would be secondary to the vital marine services provided by Public Coast stations. It is inconceivable that any technical, interference or frequency issues would deter the entry of HF Public coast stations into the domestic land mobile arena. These stations, such as KFS, typically have been transmitting on their authorized frequencies for decades. HF radio is a service coordinated for national, international and in certain circumstances global, transmissions. (See Section 2.106 of the Commissions Rules.) Indeed most modern common carrier services were invented and deployed after the advent of HF Public coast services. Accordingly, technical problems will not occur.

INTRA-SERVICE SHARING

Section 24: Should the Commission allow inter-service sharing in the 2-4Mhz band?

We have no objection to inter-service sharing in this band.

Section 25: Should the Commission allow inter-service sharing in the VHF frequency bands?

We have no objection to inter-service sharing in these bands.

AUTOMATIC INTERCONNECTION WITH PSTN

Section 26(a): Should we consider changing the Commission's Rules to permit automatic interconnection to the PSTN for all coast stations?

Yes. Allowing automatic interconnection for both HF and VHF coastal stations is essential for making radio voice and data services competitive with cellular and satellite based services. Automatic interconnection should be a top priority.

Section 26(b): What effect if any would there be on maritime safety if the Commission were to allow automatic interconnection with the PSTN in the marine radio services and remove operator requirements?

Marine safety should improve. Congestion will decrease allowing quicker connection. A standard command (like dialling 911) should connect the caller with the Coast Guard or other safety authorities. Operator services should be available on demand, much like the PSTN uses them.

Section 26(c): Could DSC provide the necessary automatic identification to provide interconnection to the PSTN? If so should the Commission consider this additional use of DSC when deciding if it should be mandatory for all VHF radios? Should we consider other signalling and identification schemes and, if so, what schemes?

DSC could provide the basic automatic identification data for PSTN interconnect. However, the Commission should not preclude any other signalling/identification schemes. The Commission should adopt an open standard with DSC as only a basic or fall-back scheme. The Commission should make DSC mandatory on all VHF and HF radios.

Section 26 (d): Should we require some means of operator assistance for ship -to-shore telephone calls, even calls originated on VHF Channel 70?

Yes, on request or upon the occurrence of events that might indicate an emergency....like repeated calls from a specific SelCall number. It would be best to keep this function off channel 70 in order not to encourage voice use of this key channel.

NARROW BAND TECHNOLOGY

Section 28: Should the Commission continue to support 12.5 KHZ spacing using NBFM or consider some other narrow band technology for the maritime mobile service?

12.5 KHZ spacing should be supported. However, other technologies should not be ruled out as long as international interoperability can be supported. Maximum flexibility is essential to encourage research and development.

Section 29: Should we permit marine users to share certain PLMR VHF channels allocated internationally for maritime operations? If so what are the appropriate sharing criteria? How should sharing be implemented and coordinated?

We support the idea of inter-service sharing but are not knowledgeable enough in this area to comment further.

PROPOSED RULE MAKING RECLASSIFICATION OF PUBLIC COAST STATIONS AS NON-DOMINANT CARRIERS

We agree with the proposal to amend the rules so that public coast stations fall under the streamlined regulatory scheme for non-dominant carriers. Our response to the questions regarding the differentiation among marine common carriers in the maritime market is:

Section 36(a) For purposes of the proposed reclassification of maritime mobile common carriers as non-dominant, is there a need to differentiate between 1) coast stations which provide both land-line telex service and maritime service and 2) maritime common carriers that only provide maritime service?

Yes. There is a need to differentiate between stations that provide both land line services and stations that only provide maritime services. The latter must purchase the land line delivery portion of their service from their competitors in the maritime service arena. The potential is great for the land-line carriers to price maritime services at or below cost and take their profits on the land line side.

Section 36(b) Alternatively, should dual telex authority carriers be required to operate their maritime and point-to-point telex capabilities on a separate basis to prevent alleged cross-subsidization?

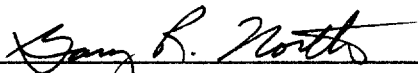
Yes. The cross-subsidization practices of these carriers is a threat to the complete elimination of competition in the public coast station business.

We believe that coastal stations owned and operated by major land-line carriers possess an unfair advantage, since they are able to subsidize the delivery of ship to shore with profits achieved on their land-line networks. Their cost of delivering the land-line portion of the message is much lower than that of coastal stations owned and operated without their own land-line capability. We urge the Commission to require these dual authority carriers to operate their Public Coast Radio Stations on a separated basis.

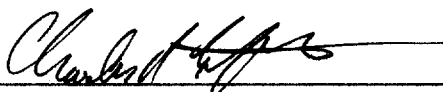
CONCLUSION

KFS urges the Commission to act promptly to improve the viability of Public Coast stations in order to safeguard their vital health and safety functions. This is overwhelmingly in the public interest. To do this, the Commission should adopt the technical and regulatory suggestions set forth here, including improved trunking, digital selective calling, higher permissible data rate, public switched network interconnection, and most importantly of all, flexibility to enter the domestic land mobile market for provision of services on a secondary basis.

Respectfully submitted,
KFS WORLD COMMUNICATIONS, INC.

/s/ 

Gary R. North, President
1 Meyn Road
Half Moon Bay, CA 94019

/s/ 

Charles R. Naftalin

Koteen & Naftalin
1150 Connecticut Ave. N.W.
Washington, DC 20036
(202) 467-5700

June 1, 1993

Its Attorney